

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL****FOR: HEALTH CARE FINANCING ADMINISTRATION**

1. TRANSMITTAL NUMBER:

9 5 — 0 3 8

2. STATE:

LOUISIANA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL
SECURITY ACT (MEDICAID)TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

July 1, 1995

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 CFR 447.253

7. FEDERAL BUDGET IMPACT:

a. FFY 1994-95 \$ (2,011,093)

b. FFY 1995-96 \$ (8,061,701)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-D, Page 12

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

Same (TN 89-45)

10. SUBJECT OF AMENDMENT: The purpose of this amendment is to limit the non-fixed cost for
Management Fees and central office cost component for private ICF/MR facilities to 6%
of allowable costs.

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT☐ OTHER, AS SPECIFIED:☒ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL:



13. TYPED NAME:

for Rose V. Forrest

14. TITLE:

Secretary

15. DATE SUBMITTED:

September 27, 1995

16. RETURN TO:

Department of Health and Hospitals
Bureau of Health Services Financing
P.O. Box 91030
Baton Rouge, LA 70821-9030**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

October 3, 1995

18. DATE APPROVED:

JUNE 6, 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

JULY 1, 1995

20. SIGNATURE OF REGIONAL OFFICIAL:



21. TYPED NAME:

for Steve McAdoo
CALVIN G. CLINE

22. TITLE:

Associate Regional Administrator
Division of Medicaid

23. REMARKS:

STATE OF LOUISIANA

- c. Rate Year - The rate year is the one year period from July 1 through June 30 of the next calendar year during which a particular set of rates is in effect. It corresponds to the State's fiscal year.
- d. Base Rates - Base rates were established by assigning each facility to a Capacity/LOC grouping and averaging each facility's issued rate for July 1, 1987 within that group.
- e. Fixed Cost - Interest from line item C-1-17 (Interest (other than capital assets)) and capital costs from Line C-1-52 (Total Cost related to Capital Assets) of the cost report.
- f. Non-Fixed Cost - All other costs not captured in Fixed Cost above. **Effective for dates of service July 1, 1995 and after**, management fees and central office costs are limited to a combined total of six (6%) per cent of allowable costs.
- g. Base Rate Components - Base rates are the summation of the components shown below. Each base rate component is intended to reimburse for the costs indicated by its name. Both cost component amounts are based on averages by facility size grouping and LOC for the base year.

Base Rate Component Economic Adjustment Factor

Non-Fixed Cost Items	CPI - All Items
Fixed Cost	None (1)
Return on Investment	None (2)

- (1) No inflation allowed.
- (2) Adjusted by a return on investment (ROI) factor of 5%

STATE	Louisiana
DATE RECD	10-3-95
DATE APPEVD	6-6-01
DATE EFF	7-1-95
HCFA 179	TW 95-38
A	

Cost Reporting Requirements

a. Initial Reporting

The initial cost report must contain costs for a full twelve-month period and be reported on the State's fiscal year of July 1 through June 30.

SUPERSEDES: TN - 89-45

TN# 95-38 Approval Date 6/6/01 Effective Date 7/1/95
Supersedes
TN# 89-45